

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6975

BILL NUMBER: HB 1142

NOTE PREPARED: Jan 5, 2004

BILL AMENDED:

SUBJECT: Property Tax Roundtable.

FIRST AUTHOR: Rep. Scholer

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the Property Tax Roundtable.

Effective Date: Upon passage.

Explanation of State Expenditures: The number of members to be appointed to the proposed Property Tax Roundtable is not specified but will depend on how many members the Governor elects to appoint. The Governor must make appointments before July 1, 2004, and must fill any vacancy within 45 days. In addition to the Governor's appointments, the Roundtable will consist of four legislators and the Commissioner of the Department of Local Government Finance (DLGF). The Chair of the Senate Finance Committee and the Chair of the House of Representatives Ways and Means Committee serve as co-chairs of the Roundtable.

The Roundtable must operate under the rules of the Legislative Council. Legislative Council Resolution 03-02, adopted May 28, 2003, provides for a budget of \$15,000 for committees that consist of 16 or more members and \$8,000 for committees under 16. The Roundtable is a permanent committee. The budget amount could vary per interim depending on future Legislative Council resolutions. The Roundtable budget would be paid from funds appropriated to the Legislative Council from the state General Fund to pay for per diem and travel expenses.

The Roundtable must provide recommendations in an electronic format to the Governor, the DLGF Commissioner, and the Executive Director of the Legislative Services Agency (LSA). The Roundtable must also prepare fiscal analyses of the impact that recommendations will have on the state and political subdivisions. If the impact will be at least \$500,000, the Roundtable must submit a copy of the recommendation and the fiscal impact to LSA for review. Because LSA staffs the Roundtable, LSA staff will

likely document the fiscal impact and recommendations.

Not more than 45 days after receiving a copy, LSA must prepare a fiscal analysis of the Roundtable's recommendations. The fiscal analysis must contain an estimate of the direct fiscal impact and a determination concerning the extent to which the recommendation creates an unfunded mandate on the state or a political subdivision. LSA must make the fiscal analysis available to interested parties. The Roundtable must provide LSA with the information necessary to prepare the fiscal analysis. LSA may also receive and consider applicable information from entities affected by the recommendation in preparation of the fiscal analysis. LSA must provide copies of its fiscal analysis to the Governor, the DLGF Commissioner, and the LSA Executive Director.

LSA should be able to absorb any additional expenses associated with the bill given its current budget and resources.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of the Governor, Commissioner of the DLGF, and LSA.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.